

BUSINESS & FINANCIAL OVERVIEW

European Stocks Close Higher On Bargain Hunting, Stimulus Hopes

European markets closed higher on Tuesday as bargain hunting after previous session's steep losses, and positive reaction to a slew of stimulus announcements from governments and central banks lifted stock prices.

According to reports, EU finance ministers are planning a coordinated economic response to contain the virus amid fears of a global recession.

The G7 leaders have pledged to do "whatever is necessary" to fight the coronavirus pandemic, ranging from deploying fiscal measures to supporting efforts to develop a vaccine.

A rally in the U.S. market on President Donald Trump's pledge to support industries that have been hit particularly hard by the outbreak, such as airlines, also helped lift sentiment.

"The United States will be powerfully supporting those industries, like Airlines and others, that are particularly affected by the Chinese Virus. We will be stronger than ever before!" Trump said in a post on Twitter.

Treasury Secretary Steven Mnuchin also said during a press briefing this morning that the administration is hoping to get cash into Americans' pockets "immediately." Earlier, a White House adviser said the United States could pump \$US800 billion or more into the economy to minimize economic damage from the coronavirus outbreak.

The pan European Stock 600 ended up 2.26%. Among the major indices in Europe, the U.K.'s FTSE 100 surged up 2.8%, Germany's DAX advanced 2.25% and France's CAC 40 gained 2.84%, while Switzerland's SMI climbed up 3.23%.

Among other markets in Europe, Finland, Greece, Iceland, Italy, Netherlands, Norway, Poland, Portugal, Spain and Sweden closed with sharp to moderate gains.

Austria, Belgium, Czech Republic, Ireland, Russia and Turkey ended weak. In the German market, Daimler, Linde, BASF, Deutsche Bank, Fresenius, Bayer, Deutsche Telekom, RWE and Vonovia gained 4 to 6%.

Beiersdorf, Lufthansa, E.ON, Covestro, SAP, HeidelbergCement, Siemens and Deutsche Post also rose sharply. Wirecard, Muench.Rueckvers, Allianz and Adidas declined sharply.

In France, Carrefour soared nearly 12% and Orange gained about 11%. Renault ended nearly 10% up, while Vinci, Societe Generale, Danone, Credit Agricole, Air Liquide and BNP Paribas gained 6 to 8.5%.

In the U.K. market, Antofagasta rallied more than 16% after the company reported profit before tax of \$1.35 billion for the year ended 31 December 2019, compared to \$1.25 billion, previous year.

